

### **Attachment 3: DFAS Certification Letter**

The Client Executives (CE) will send their certification letters directly to the Director of their respective client Defense Agency, or for Military Services, to the Service Comptrollers. The CE will remain responsible for loading a copy of their signed certification letter to the E-portal. This information supports the Agency Wide certification letter that is sent to OUSD(C).

Part of the process of providing our clients their Financial Statements is the CE's certification letter addressed to our respective clients. In these letters, on behalf of the Director, the CE advises our clients of any material weaknesses that the client and/or the respective servicing DFAS Centers(s) have noted. These letters are only issued to the reportable DoD entities.

In this certification, Client Executives will report the material weaknesses, or articulate that there are no deficiencies.

Attached are two letters with examples for:

1. An entity that has material deficiencies. (Note: This letter provides standard deficiencies that were identified for most of our customers. This list of deficiencies is not an all-inclusive.)
2. An entity that has no material deficiencies.

If you have any questions, please contact Christian Mazzarella at 317-510-2569 or at [christian.mazzarella@dfas.mil](mailto:christian.mazzarella@dfas.mil).

### Attachment 3: DFAS Certification Letter

Respective Client Executive's name and title

#### MEMORANDUM FOR (Entity and Fund)

SUBJECT: **(Entity and Fund)** Financial Statements for the  
Period Ended XXXXXXXXXX

We have worked with your staff in preparing the 3rd Quarter, FY 2005 Principal Financial Statements and Notes for the **(entity and fund)**. These financial statements were prepared in accordance with the Department of Defense (DoD) Financial Management Regulation, Volume 6B, Form and Content of the DoD Audited Financial Statements.

I hereby certify that the **(entity and fund)** Third Quarter, FY 2005 financial statements, as of, June 30, 2005, are supported by trial balances, feeder reports, or other information provided to or maintained by the Defense Finance and Accounting Service. **(Entity and Fund)** financial statements for the period ended, June 30, 2005, are the correct consolidation of such supporting information, subject to the following deficiencies that have contributed to a disclaimer opinion issued by auditors in prior years on the financial statements of the **(entity and fund)**. These deficiencies remain for the current year's statements.

a. Financial and nonfinancial feeder systems do not contain an adequate audit trail for the proprietary and budgetary accounts.

b. DFAS cannot accurately identify all intergovernmental transactions by customer, which is required for eliminations when preparing consolidated financial statements.

c. Inventories held for sale, and operating materials and supplies (O&MS) are not reflected at historical cost.

d. The problem disbursements and in-transit disbursements that have been reported by a disbursing station to the Department of Treasury have not been precisely matched against specific source obligations. This condition adversely affects the Balance Sheet line item for Fund Balance with Treasury.

e. Adjustments for undistributed disbursements and collections are not supported at the detail level, which precludes expressing an opinion on accounts payable and accounts receivable.

My point of contact is \_\_\_\_\_ at (xxx) xxx-xxxx.

Respective Client Executive's name and title

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#### MEMORANDUM FOR (Entity and Fund)

SUBJECT: **(entity and fund)** Financial Statements for the  
Period Ended XXXXXXXXXX

We have worked with your staff in preparing the 3rd Quarter, FY 2005 Principal Financial Statements and Notes for the **(entity and fund)**. These financial statements were prepared in accordance with the Department of Defense (DoD) Financial Management Regulation, Volume 6B, Form and Content of the DoD Audited Financial Statements.

I hereby certify the Third Quarter, FY 2005 financial statements, as of June 30, 2005, for the **(entity and fund)** are supported by trial balances, feeder reports, or other information provided to or maintained by the Defense Finance and Accounting Service. **No material deficiencies are noted.** The **(entity and fund)** financial statements for the period ended, June 30, 2005, are the correct consolidation of such supporting information.

My point of contact is \_\_\_\_\_ at (xxx) xxx-xxxx.

Respective Client Executive's name and title